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AIR

REF-5696
32-126-24

JAN 25 1957

Chief of Base, Berlin

Chief, ME

INFO: OCS, Germany

- Operational/CADORY
- LOCASOCK/Future Status and Project Authorization

REFERENCES: A. NDPA-37114
B. NSQA-82455

ACTION REQUIRED: Comments and as recommended, paragraph 4

1. This dispatch contains comments on the proposals contained in reference A. We are concerned about the effectiveness of the proposed operational course within the framework of our East German EDGAGE program and we urge reorientation of the project in line with specific suggestions contained herein.

2. During the past year, there has been increasing evidence that the project may be departing from its authorized purpose and intent. Although we have sympathized to some extent with the desire to engage in both subtle and experimental operations, we conclude from the recent correspondence that the project is engaging in experimentation and research not directly related to the purpose of attacking Communist targets. With the advent of the Polish and Hungarian revolts we saw that LOCASOCK did not convert to a forceful presentation of the issues, but actually compounded the subtle and less effective experimental approach, distributing in small quantities to targets which were frequently secondary in priority. Our reservations to LOCASOCK's present operational course were strengthened by an analysis under taken by this Division's evaluation staff which was completed only recently. Pertinent portions of this analysis are transmitted as attachments to EDGW-31230. General conclusions of the analysis are:

- a. Production of ineffective material
- b. Over-production beyond distribution capabilities
- c. Indication of effectiveness and distribution insufficient or cannot be evaluated.

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SECRET

SECRET

EGBW-5656

Page 1

3. We do not consider the entire analysis to be derogatory as such and in fact LOCUSTOCK's past accomplishments are pointed. However, the three general conclusions cited above raise serious questions. Drawing from the results of the analysis and looking at the East German operational situation, we conclude that the desired capabilities of GARMER and his staff are not being used to best advantage. Instead of the continuance of LOCUSTOCK in the present role we urge that LOCUSTOCK revert to its earlier status of a special production shop with the capability of producing and distributing on short notice target-of-opportunity publications (to include falsifications) based on East priority requirements of Headquarters and field alike.

4. In order to effecting appropriate changes in the project in a way designed to reduce to a minimum any possible loss of rapport with GARMER and to avoid any unnecessary ill effect on either the LOCUSTOCK staff or LOCUSTOCK continue, we propose the following steps for reorientation of the project:

a. GARMER to be advised that we require swift re-tooling of the project to occupy the position of a special production mechanism for carrying out priority tasks at our request. This may require the temporary suspension of present publications until new methods of operation have been fully planned and accepted by the field case officer, including the possible convertibility of present publications to our new aims. Operational emphasis must be placed on producing and distributing special publications on short notice to meet new worldwide developments. This does not preclude delivery of publications which have been stockpiled, providing they are still timely.

b. GARMER and case officer to conduct a survey to determine whether the staff can be retained at present size or must be reduced in order to avoid administrative complexity hindered at in the Headquarters project analysis. Regardless of the outcome of this survey, we would like to suggest that the LOCUSTOCK staff be broken into "editorial" teams. As we visualize this, one team would be involved in the basic preparation of an item, a second team would be in the throes of preparation while a third team would be completing an item. An item could be carried right through the production mill by one team or each team could contribute its share in each step of the process. The actual breakdown of teams can best be accomplished by GARMER and the field case officer, and would assist in the maximum utilization of available personnel.

c. Continuing survey by case officer, GARMER and the LOCUSTOCK staff as to methods of increasing distribution, by other than balloon operations.

d. GARMER to be requested to cease producing research abstracts on conditions in the East Zone, Soviet Strategy, etc., in order to devote more time to reorientation of the project.

SECRET

SECRET

EGBW-5656

~~SECRET~~
Page 3

e. Review by the field case officer, PCS and COS of the publications presently under production by LOCASOCH to determine which, if any, can be continued as effective KUBARK media. In this connection we are inclined to take an even more pessimistic attitude toward some of the current publications of LOCASOCH than are expressed in the attachments to EGBW-5656. That with current developments in Eastern Europe it would appear that our East German mass propaganda effort should take an active and aggressive form. We fail to see how Kubark, Magnum, Top Secret and other pertinent printings make a contribution to the paper effort in the East Zone.

5. Conceding that the above suggestions are general, we feel that they indicate the direction which LOCASOCH should take and the methods to be used in reorientation. Obviously, you have considerable latitude in presenting the reorientation concept to OLMER. We would like to be advised, however, of the steps which the field plans to take in reorienting the project as well as field views as a whole on the status of LOCASOCH in connection with this dispatch and the recently performed analysis of the project.

6. We do not agree with the reference "in view of the funding and incorporation of LOCASOCH should be contingent upon reorientation. These two actions will be authorized by revision of the project administrative plan at that time when funding is definitely underway. In connection with the funding issue we find the LOCASOCH cover funding correspondence to be in order. The delay in implementation of funding has been caused by our reservations as to the future status of the project. Further discussion of the funding and incorporation issue will be treated in separate correspondence.

7. We wish to make clear that the FI 58 budget proposal for \$ ☐ and the inherent request for additional funds for FI 57 must await a satisfactory solution concerning the future of the project. A new budget estimate should be prepared as soon as feasible after the possible sources of action emerge.

8. We would appreciate earliest views from COS and PCS on the proposals raised in this dispatch in view of the fact that LOCASOCH is operating presently without formal authorization and the period of grace for reorientation is almost at an end.

Distributions

2-COS

2-PCS

1-RI

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RMF:J11

19 December 1956

Chief

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